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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter ended
January 31, 1992

Commission File No.
000-18055

SEVEN FIELDS DEVELOPMENT CORPORATION

PENNSYLVANIA
State of Incorporation

25-1561828
I.R.S. Employer Identification No.

103 Brookside Lane
Mars, PA 16046
(Address of principal executive office with Zip Code)

(412) 776-5070
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes XX No ____

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes XX No ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of January 31, 1992
Common Stock $1.00 par value	3,506,083

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SEVEN FIELDS DEVELOPMENT CORPORATION

Form 10-Q

January 31, 1992

PART I - Financial Information

The following financial information is provided in response to Items 1 and 2 of Form 10-Q.

Item 1 - Financial Statements

O'Connor, Greenblatt & Company

Certified Public Accountants

SEWICKLEY OFFICE
806 Osborne Plaza
1108 Ohio River Boulevard
Sewickley, PA 15143
(412) 741-2242

NEW BRIGHTON OFFICE
503 8th Street
New Brighton, PA 15066
(412) 843-5180

To the Board of Directors
Seven Fields Development Corporation
Mars, PA

We have compiled the accompanying balance sheets of Seven Fields Development Corporation as of January 31, 1992 and 1991 and for the related statements of operations, deficit, and cash flows for the three months then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The financial statements for the year ended October 31, 1991 were examined by us. Our report dated January 8, 1992 included a description of the many problems which were left unresolved upon the Company's reorganization under Chapter 11 of the Federal Bankruptcy Code. The user of these compiled financial statements should refer to the extensive disclosures contained in that report.

O'Connor, Greenblatt & Company

O'Connor, Greenblatt & Company
Sewickley, PA
March 10, 1992

Members of

American Institute of
Certified Public Accountants

Pennsylvania Institute of
Certified Public Accountants

SEVEN FIELDS DEVELOPMENT CORPORATION
BALANCE SHEETS
AS OF JANUARY 31, 1992 AND OCTOBER 31, 1991

ASSETS

Current Assets	1992	1991
Cash	$ 76,488	$ 64,623
Temporary investments	491,152	442,866
Total Cash & Temporary Investments	$ 567,640	$ 507,489
Cash escrow - horses	$ 151,615	$ 149,692
Restricted cash - development letter of credit	406,500	406,500
Cash restricted by mortgage escrow	68,064	67,245
Accounts and notes receivable, net of allowances of $41,032	97,347	120,535
Capitalized development costs - current	1,253,061	874,829
Capitalized house construction costs, net allowances of $60,000	721,189	595,990
Prepaid expenses and other current assets net of allowances of $10,000	82,308	189,880
Total Current Assets	$ 3,347,724	$ 2,912,160
Property Held For Investment & Future Development	$ 2,071,907	$ 2,433,272
Property, Buildings & Equipment		
Land	$ 468,267	$ 468,267
Buildings	9,696,207	9,696,207
Equipment and furnishings	1,808,697	1,723,003
Total Property, Buildings and Equipment	$ 11,973,171	$ 11,887,477
Accumulated Depreciation	(2,749,397)	(2,583,836)
Total Property, Buildings and Equipment, Net of Accumulated Depreciation	$ 9,223,774	$ 9,303,641
TOTAL ASSETS	$ 14,643,405	$ 14,649,073

See Accountants' Compilation Report.

LIABILITIES AND SHAREHOLDERS' DEFICIENCY

LIABILITIES

	1992	1991
Current Liabilities		
Accounts payable and accrued expenses	$ 135,803	$ 175,631
Accrued expenses - estimated cost to complete development Phase I & II	110,530	105,530
Current portion of mortgages payable	879,335	879,335
Customer deposits and advances	26,000	42,555
Total Current Liabilities	$ 1,151,668	$ 1,203,051
Tenant security deposits	$ 190,627	$ 193,885
Less tenant security deposit cash	(190,627)	(193,885)
Long Term Debt	$ 1,733,878	$ 1,744,168
Total Liabilities Before Subordinated Debt	$ 2,885,546	$ 2,947,219
General Unsecured Subordinated Debt	$ 66,615,573	$ 66,615,573
TOTAL LIABILITIES	$ 69,501,119	$ 69,562,792

SHAREHOLDERS' DEFICIENCY

Preferred stock, no par value, 10,000,000 shares authorized and unissued	$ ---	$ ---
Common stock, $1 par value, inseparable from general unsecured debt to shareholders prior to August 25, 1989. 10,000,000 shares authorized 3,506,083 shares issued and outstanding	$ 3,506,083	$ 3,506,083
Shareholder deficit - excess of non-discharged debt over assets on November 7, 1987 (Date of reorganization)	$ (58,229,596)	$ (58,229,596)
Deficit, since November 7, 1987 (Date of reorganization)	$ (134,201)	$ (190,206)
Total Shareholders' Deficiency	$ (54,857,714)	$ (54,913,719)
Total Liabilities and Shareholders' Deficiency	$ 14,643,405	$ 14,649,073

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

	1992	1991
Gross Revenue		
Apartment rentals	$ 543,679	$ 529,520
Water and sewer revenue	27,827	
Fees & other operating income	8,256	11,033
Total Gross Revenue	$ 579,762	$ 540,553
Sale of developed lots and houses	$ 298,783	$ 194,400
Cost of lot and house sales	217,981	79,954
Gross Profit on Lots and House Sales	$ 80,802	$ 114,446
	$ 660,564	$ 654,999
Operating Expenses	$ 244,685	$ 209,646
General & Administrative Expenses	$ 141,917	$ 111,612
Interest Expense	$ 68,705	$ 77,626
Depreciation Expense	$ 165,561	$ 165,561
Total Expenses	$ 620,868	$ 564,445
Income From Operations	$ 39,696	$ 90,554
Interest Income	$ 16,309	$ 23,855
Income Before Provision for Income Taxes	$ 56,005	$ 114,409
Provision for Income Taxes	$ 9,000	$ 33,803
Income Before Extraordinary Item	$ 47,005	$ 80,606
Extraordinary Item-Utilization of Tax Operating Loss Carryforwards	$ 9,000	$ 33,803
Net Income	$ 56,005	$ 114,409
Earnings Per Common Share; 3,506,083 Shares Outstanding		
Income Before Extraordinary Item	$ .02	$ .02
Extraordinary Item		.01
Net Income	$ .02	$ .03

See Accountants' Compilation Report.

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS
SCHEDULE OF OPERATING EXPENSES AND
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

	1992	1991
Operating Expenses		
Payroll, payroll taxes and benefits	$ 44,889	$ 35,600
Repairs & maintenance	33,330	7,371
Utilities	48,843	49,278
Insurance	17,118	17,924
Property taxes	89,380	83,868
Other operating supplies & services	15,127	15,605
	$ 248,687	$ 209,646
Less Costs Capitalized To Development and House Construction	(4,002)	-
Total Operating Expenses	$ 244,685	$ 209,646
General And Administrative Expenses		
Payroll, payroll taxes and benefits	$ 62,409	$ 37,035
Internal management and accounting fees	12,792	$ 3,661
	$ 75,201	$ 40,696
Legal and auditing fees	$ 28,767	$ 48,331
Legal expenses related to litigation described in notes to financial statements	50,812	18,788
Other general and administrative expenses	15,060	$ 21,706
Total General And Administrative Expenses	$ 169,840	$ 129,521
Less Costs Capitalized To Development And House Construction	(27,923)	(17,909)
Total General And Administrative Expenses	$ 141,917	$ 111,612

See Accountants' Compilation Report.

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF DEFICIT
FOR THE THREE MONTHS ENDED
JANUARY 31, 1992 AND 1991

	1992	1991
Post reorganization deficit - beginning	$ (190,206)	$ (798,564)
Net income for the three months	56,005	114,409
Post reorganization deficit - ending	$ (134,201)	$ (684,155)

See Accountants' Compilation Report.

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

	1992	1991
Cash Flows From Operating Activities:		
Net income (loss)	$ 56,005	$ 114,409
Depreciation	165,561	165,561
Capitalized development costs - current	(457,067)	(30,515)
Capitalized development costs & property held for future development - non current	361,365	
Capitalized house construction cost	(264,345)	(135,974)
Cost of lots and houses sold	217,981	79,954
Cash flows provided by change in current assets & liabilities related to normal operations (see table below)	76,635	217,176
Net Cash From Normal Operating Activities	$ 156,135	$ 410,611
Cash Flows From Investing Activities:		
Additions to property, buildings and equipment	$ (85,694)	$ (83,647)
Cash Flows From Financing Activities:		
Repayment of mortgages payable	$ (10,290)	$ (10,370)
Net Increase In Cash And Temporary Investments	$ 60,151	$ 316,594
Cash & Temporary Investments, Beginning of Period	$ 507,489	$ 816,817
Cash & Temporary Investments, End of Period	$ 567,640	$ 1,133,411

See Accountants' Compilation Report.

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991
(CONTINUED)

Cash Flows From Changes in Current Assets and Liabilities	1992	1991
Restricted cash	$ (2,742)	$ (2,284)
Accounts receivable pre-reorganization		99,291
Accounts and notes receivable	23,188	18,692
Prepaid expenses and other current assets	107,572	98,275
Accounts payable and accrued expenses	(39,828)	7,402
Accrued expenses - estimated cost to complete development and Phase I & II	5,000	
Customer deposits and advances	(16,555)	(4,200)
Total Cash Flows From (Used For) Changes in Current Assets and Liabilities	$ 76,635	$ 217,176
Total Interest Paid and Included in Net Income (Loss) for Operating Activities Above	$ 68,705	$ 77,626

See Accountants' Compilation Report.

SEVEN FIELDS DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTHS
ENDED JANUARY 31, 1992 AND 1991

Basis of Presentation

The financial statements included herein have been prepared by the registrant, without audit, for filing with the Securities and Exchange Commission pursuant to the rules and regulations with said commission. The financial information presented herein, while not necessarily indicative of results to be expected for the year, reflects all adjustments which in the opinion of the registrant are necessary for the fair statement of the results for the periods indicated. This financial information should be read in conjunction with the financial statements and notes thereto included in the registrant's Annual Report for the years ended October 31, 1991, 1990 and 1989.

Part I - Item 2

Management Discussion and Analysis of Financial Condition and Results of Operations

The financial condition of the Corporation has continued to improve.

Results of Operations

Demand for rental units continues to be strong as demonstrated by occupancy rates in excess of 90%. Additional gross revenue of approximately $28,000 was generated by two months of water and sewer billings during the quarter.

To date, 41 of the 94 lots in Phases I and II have been sold. In this quarter, five lots and one house were sold for a gross profit of approximately $80,000.

Operating expenses increased in the quarter due to the new water and sewer activity and due to increased repair projects in the Seven Fields Apartments. Internal management and accounting fees also increased for the same reasons. General and administrative payroll costs increased primarily due to the addition of management personnel.

The Corporation continues to incur substantial legal expenses. These expenses are expected to continue until litigation against predecessors and principals of predecessors is resolved.

A net income of $56,005 was generated for the quarter compared with $114,409 a year earlier as a result of the items indicated above. The Corporation's cash increased during the quarter primarily due to the home and lot sales.

Currently eight homes are under construction of which two are model homes, two are pre-sold homes, and four are available for sale. Management anticipates building fifteen additional houses by the end of the year.

Slated for sale in the Spring of 1992 is the next phase of development, Brandywine Woods. A 75 lot subdivision, Brandywine Woods lots are expected to sell in the range of $32,900 to $39,900 each.

Management anticipates the sale of the Virginia Manor Apartments, currently under agreement of sale, to occur in the spring of 1992. As previously stated, a distribution to noteholders will be made from the proceeds of the sale.

Part II - Item 1 Legal Proceedings

No significant legal changes have occurred from those described in Item 3 of the Corporation's Form 10-K for the period ended October 31, 1991.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Seven Fields Development Corporation

Date: 3-11-92 By: Paul Voytik
Paul Voytik, President

Date: 3-11-92 By: George K. Wright
George K. Wright, Vice President